

FRACTIONAL CURRENCY COLLECTORS BOARD

Spring 2016

DUAL DENOMINATIONAL FRACTIONAL ERRORS

By

Rick Melamed

Previously we took a dive into fractional errors focusing on examples with missing signatures. I appreciate that several FCCB club members reached out to me to share their own experiences. With such an enthusiastic response and the dearth of related research we are going to continue writing about fractional errors in future issues.

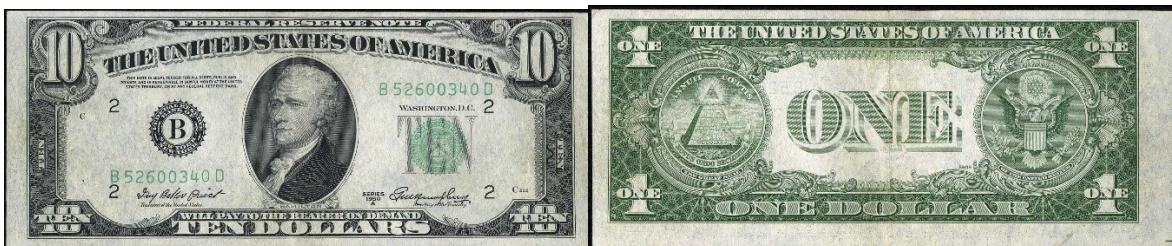
So let's go to the spectacular...that being dual denomination notes. Dual denomination notes have one value on the obverse and another value on the reverse. In small and large sized currency, dual denominations are often referred to as "The King of Errors". They command very high prices and are highly sought after. While they are rare in large and small sized currency, they are even rarer in fractionals.

Please don't chastise me, but we are going to break from the norm and show you a couple of non-fractional dual denomination notes and their values. We do this ostensibly to show how valuable they are and, in my opinion, how undervalued they are in fractionals.

The first example is a large size national from Grand Forks, ND. It has a \$20 face and a \$10 reverse. It sold last year at auction for \$69,000. Graded PMG65, it has the bonus of having an inverted reverse.



That's really an amazing note...a large sized national from North Dakota with an inverted back in Gem. But even small sized dual denomination notes command exquisitely high prices. Shown is an \$11 dollar bill. A \$10 face and a \$1 reverse. It is series 1950A Federal Reserve note and grades AU. In 2008, this note sold for an astonishing \$57,500 at auction.



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Cool stuff! Even we fractional collectors appreciate how special these are. But this is a fractional publication and it's time to dive into the subject at hand and hope auction prices on dual denomination fractional errors rise in value. Currently fractional dual denomination notes are approximately 1/10th the value of large and small sized examples.

Fr.1235/1322 (Milton 2E5FR.2) 5¢/50¢ Second Issue Double Denomination. There are only 2 known examples of this regular issue fractional. Since this came from a sheet, there may be other examples extant. This note sold in a Heritage auction in 2006 for \$8,912.50. It has a 5¢ face and a 50¢ reverse.



Here is the interesting auction description from Heritage detailing the authenticity of this note.

While not the same piece as our Friedberg example, it is clearly from the same sheet as the positioning of the bronze in relation to the design on both sides of the note is identical. Milt's example, which was unique when it was sold in 1997, was described, "This great note was first offered to the public in the HIM Auction at the 1983 Memphis show. Martin Gengerke cataloged the note for that sale, and we quote, 'An excessively rare fractional error: far rarer than double denominations of either large or small size notes. It has the full normal face of the 5¢, and the full normal back of the 50¢ T-1-18-63 variety (although due to poor centering, little shows of the T). Undoubtedly genuine, although we must, in all truthfulness, observe that this is a fiber paper note, and second issue fiber paper notes of all denominations are notoriously easy to split. We have no doubt of the authenticity of this piece for several reasons: (1) The four margins. Split and repaired notes would be difficult to align (sic) and would require at least a bit of margin trimming. (2) The presence of a bit of margin ink writing identical to notations made at the Treasury on numerous experimental notes of known authenticity. (3) Third and most importantly, the presence on both sides of the embossing effect made by the plate of the other side. The light paper indentations made in the paper (by the great pressure of the plate when printing the other side) line up perfectly with the engraving on the printed side. To perfectly line up a face and back from two separate notes would be a million-to-one shot at best.'" In that description, Martin went on to say that the final judgement must be made by the bidder and HIM did not totally guarantee the item. We concurred with that write up and took it one step further: embossing cannot be "matched up" from one note to another. It is not simply a matter of the incredible odds of finding two matching pieces with sufficient margin. It is also, in our opinion, impossible to separate and remount the pieces without changing the surface texture of the note and destroying whatever embossing survived the initial separation. At that 1997 sale, all the bidders agreed on the note's genuineness and it realized \$9,625 on an estimate of \$7,500-up. The surfacing of this piece, with its identical bronzing positioning establishes the authenticity of both notes beyond any conceivable question. Although there are now two known, this newer market eight years later should see this incredible piece far surpass that realization.

Fr.1283/FR1314. Milton 2E25FR.5. 25¢/50¢ Second Issue Double Denomination with '25' reverse bronze surcharge. This certainly is an enigmatic note. The face is a pedestrian Fr.1283-1288, but the reverse can best be described as an Fr.1314; which by the very early Friedberg definition is a 2nd issue 50¢ reverse without the corner surcharges. However, the Fr.1314 was quickly deleted by Friedberg because no regular 50¢ 2nd issue notes with surcharges legitimately exist (any regular issue examples were the result of the corner surcharges removed after it left the Treasury).

The auction description described the reverse as technically an Experimental, but I have to disagree. Even without the 50¢ corner surcharges, nothing about this note points to an Experimental. Probably the note started life as a wayward Fr.1283. The 25¢ reverse surcharge completed the note with no attention to the erroneous 50¢ reverse.

In the 2005 Stack's Ford XI catalog, the cataloguer indicated that it was only rumored to exist until it finally came to auction (Lot 141 – Sold for \$11,000). However, Milton tells a different story citing its availability for sale (\$75) from a Chapman price list from an unspecified date, but guesses 1896.



Triple Denomination Error? Negative Essay 25 Cents Face with 50 cent surcharge on Green reverse.

From Marty Gengerke's personal collection. One could claim this example is a triple denomination error. The face is a 25¢ Essay with a large '50' surcharge (note the D-5-18-63 corner surcharge found on Negative Essays). The reverse is a green back, without the center shield, that is used on 10¢ 2nd issue reverses. Hence the claim of a triple denomination error (10/25/50). However, we need to be transparent because during the experimental phases of production there are examples where different color reverses were used on a single denomination. Case in point: Lot 297 from Ford's XIX sale in 2007 showcased a quartet of 50¢ Experimentals with the exact same shield-less reverse in green, red, brown and purple. Regardless if this is a dual or treble denomination error, it is a stunning note.



2nd Issue 50 Cents Specimen with a '10' Bronze Surcharge. Another fabulous example from Marty's personal collection. A nondescript 50¢ 2nd issue Specimen, but with the large '10' bronze surcharge, it elevates the ordinary into extraordinary.



FORD'S EXPERIMENTAL/ESSAY DUAL DENOMINATIONAL FRACTIONALS

The following sets of Experimental and Essay dual denomination notes were sold by Stacks (Ford XIX) in 2007. One could argue that since these examples were "test" notes, they are not technically errors. Perhaps the differences of the values were created on purpose. Perhaps not since the overwhelming majority are single values. Regardless, the end result is very striking and for the sake of this article we will group them in the category of dual denominations. These are all prohibitively rare; most are unique.

Lot 287 Dual-sided Note with Negative Essay Back Design - 50¢/5¢ Dual Denomination. Sold for \$4,370. Printed on thin cardboard stock. Note the "April 28" on the left margin. The outside border of the 5¢ reverse differs slightly from the regular issue Fr.1232 reverse. Note the heavier, darker design.



Dual-sided Note with Negative Essay Back Design
50¢/5¢ Dual Denomination

Lot 288 Dual-sided Note with Negative Essay Back Design - 50¢/25¢ Dual Denomination. Sold for \$6,325. Printed on thin cardboard stock. Note the "April 28" on the left margin. This note is intact and does not suffer from having a large part of the selvage removed as shown on the previous example (Lot 287). Like the predecessor, the 25¢ reverse differs slightly from the regular issue Fr.1283 reverse with a heavier, darker design border.



Dual-sided Note with Negative Essay Back Design
50¢/25¢ Dual Denomination

Lot 290 – 2nd Issue Experimental 50 Cents/5 Cents Double Denomination. This is the 1st in a series of 3 dual denomination experimentals with 50¢ faces but with ascending reverse values. A seemingly ordinary 50¢ Experimental, printed on thin bond paper, exhibits a corner chip on the left and edge tear on the right. However, the reverse is a 5¢ Experimental, hence making this a very desirable 55¢ note. This note sold for \$1,725 at Ford's 2007 auction.



2nd Issue Experimental 50 Cents/5 Cents Double Denomination

Lot 291 – 2nd Issue Experimental 50 Cents/10 Cents Double Denomination. Another 2nd issue dual denomination error but with a 10¢ reverse to go with the 50¢ face. This example is printed on fiber paper. According to auction records; this example, the 50¢/5¢ note shown above, and the 50¢/25¢ shown below were part of Spencer Clark's personal collection. Subsequently they make their way to F.C.C. Boyd (His initials are FCCB – Our club's namesake). Sold for \$3,450. A 2nd example of this same variety currently resides in a personal collection.



2nd Issue Experimental 50 Cents/10 Cents Double Denomination

Lot 292. 2nd Issue Experimental. 50 Cents/25 Cents Double Denomination. This is the final note in the impressive trio of dual denomination Experimentals. The error reverses progress from 5¢ to 10¢ to 25¢. This example sold for \$1,840 in Ford's sale; lower priced because of the large missing corner. It is printed on thin bond paper and contains the rarer 'pie-shape' cancellations.



2nd Issue Experimental. 50 Cents/25 Cents Double Denomination

In conclusion the research has uncovered (9) different examples of dual denominations on fractionals. The (2) regular issue varieties that are so phenomenally rare one has to believe they are undervalued compared to their large and small sized counterparts. If any member would like to share their experiences, please email me at riconio@yahoo.com

I want to thank the Stack's and Heritage archives for their scans. Also a great deal of thanks to Marty Gengerke for sharing his scans and for his continued support for my research in fractionals.



A Change in FCCB Leadership

By

Jerry Fochtman

After serving as our Treasurer for the past 10 years, David Treter has decided to step-down. David has been instrumental in the management of our funds along with maintaining the records of everyone's dues payments and issuing payments for club expenses. And obviously important to me, reimbursing me for the costs for printing and mailing our newsletter! We'll miss his thoughtful input into the decisions involved in conducting the club's business. David indicates that while he's stepping down from his leadership role, he plans to remain an active collector, continuing to upgrade and add fractional-related items to his wonderful collection.

Stepping-in to take over the role of FCCB Treasurer is long-time member and equally enthusiastic collector, David Stitely. Chances are if you've been to Memphis you've gotten to know Dave and his wife Pam. They've been actively involved in collecting for quite some time and always have a story to share.

Dave has also been a part of the ANA's Summer Seminar Series, conducting sessions on Postage and Fractional Currency. The next time you have the opportunity, introduce yourself to Dave and thank him for offering to serve as our club's treasurer.

JAMES POLIS IS BUYING AND SELLING **FRACTIONAL CURRENCY**

I am one of the strongest buyers in this field. Take a look at any major auction or show at who is buying fractionals in all grades and you will usually hear my name or see my face. Please send me your notes for a fair and expedient offer.

I am passionately looking for all scarcer varieties as well as Choice-Gem
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First Issue Perforated Notes

Gem Second Issue Notes with clear surcharges

Attractive and broadly margined Spinner notes

All Justice varieties

High grade Washington, Lincoln and Stanton Notes

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ALL GRANT – SHERMAN SPECIMENS

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AFFILIATION

I am a member of the Professional Currency Dealers Association, Society of Paper Money Collectors, Fractional Currency Collectors Board, and American Numismatic Association.

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I am one of the most conservative graders in the hobby (ask anyone who has *ever* dealt with me).

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Check out my full-page ad on *page 17* in every issue of the Bank Note Reporter.

WANT LISTS SERVICED

I attend many of the major shows and auctions to satisfy my customer's collecting needs.

The following is a small sampling of some prize notes that I have placed into customer's collections:

Marchioni Fr. 1248 Choice CU

Fr. 1299 Very Choice CU

Gengerke Fr. 1330 Gem CU

Fr. 1336 Choice CU

O'Mara Fr. 1339 NM Specimen Reverse AU

Fr. 1340 Superb Gem CU

Fr. 1348 Choice CU

Fr. 1368 Gem CU

O'Mara Fr. 1371 Choice AU

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EDWIN STANTON: NOT JUST A FRACTIONAL CURRENCY PORTRAIT

Edwin M. Stanton

By

Rick Melamed



Edwin Stanton with his first son, Edwin, Jr. c. 1852

Outside our former US Presidents, the most famous portrait on fractional currency is Edwin Stanton. As the Secretary of War during Lincoln's administration, he had an enormous responsibility managing the affairs of the Civil War. Stanton was very effective as he helped organize the vast Union military by utilizing available resources including the newly developed telegraph system, which greatly aided the North's victorious campaign. Early in his tenure, he ordered the cancelation of all foreign contracts for military good; a move that helped bolster U.S. industry and economy. He revamped the transport system and made extensive use of railroads to speed the shipment of war materials. Stanton also organized the manhunt for Lincoln's assassin, John Wilkes Booth.

In 1860, President James Buchanan appointed Stanton as attorney general. Even though this meant giving up his profitable private law practice, Stanton accepted the position to serve his country. He strongly opposed secession, and is credited by historians for changing Buchanan's position from tolerating secession to denouncing it as unconstitutional and illegal. He also was thought to have said, "I love this country more than myself." When Lincoln took office in 1861, he appointed Stanton as Secretary of War; a position he held until 1869. After the Civil War, Stanton remained Secretary of War under President Andrew Johnson during the initial years of the Reconstruction period. President Johnson attempted to dismiss Stanton from his post which was one of the contributing factors that led to his Johnson's impeachment. In 1869, Stanton retired from the cabinet position and was nominated as an Associate Justice of the Supreme Court. Unfortunately, on December 24, 1869, he passed away 4 days after his nomination was confirmed by the Senate. He was only 55.

Early Life

Edwin McMasters Stanton was born in Steubenville, Ohio on December 19, 1814. He was the first of seven children, born to David and Lucy Stanton. In his early life, his father (a physician by trade) tried to get Edwin interested in medicine, but his initial calling was the seminary. At age 10, he developed severe asthma that plagued him his entire life, causing convulsion during bad fits and eventually led to his premature death. Stanton's father died suddenly in 1827, leaving the family destitute. Edwin's mother opened a store in the front room of their home, selling the medical supplies left by her husband, along with books, stationery and groceries. Edwin's passion was reading, and he took a job in a bookstore earning a few dollars a month to help support his family.

Edwin cobbled together an education, the lack of money hindering his efforts, but eventually graduated with a law degree in 1835. He passed the bar and joined a prominent law firm in Cadiz, Ohio. He was a tireless worker and his career flourished. In 1836, he married Mary Ann Lamson, the sister-in-law of the minister of his Presbyterian Church. Their first daughter died in infancy and sadly, his wife passed away with the birth of their 2nd child, a son. The death of his wife had a profound effect on Edwin. He became deeply depressed and his personality was said to have changed from jovial to brusque and combative. He eventually remarried Ellen Hutchinson, a young woman from a prominent Pennsylvania family, and had four more children.

Stanton was a polarizing figure with a confrontational nature that battled many a lawyer and politician. He was a staunch abolitionist and worked closely with Lincoln on the Emancipation Proclamation. One can only wonder what other achievements Stanton would have achieved, had he not died so young.

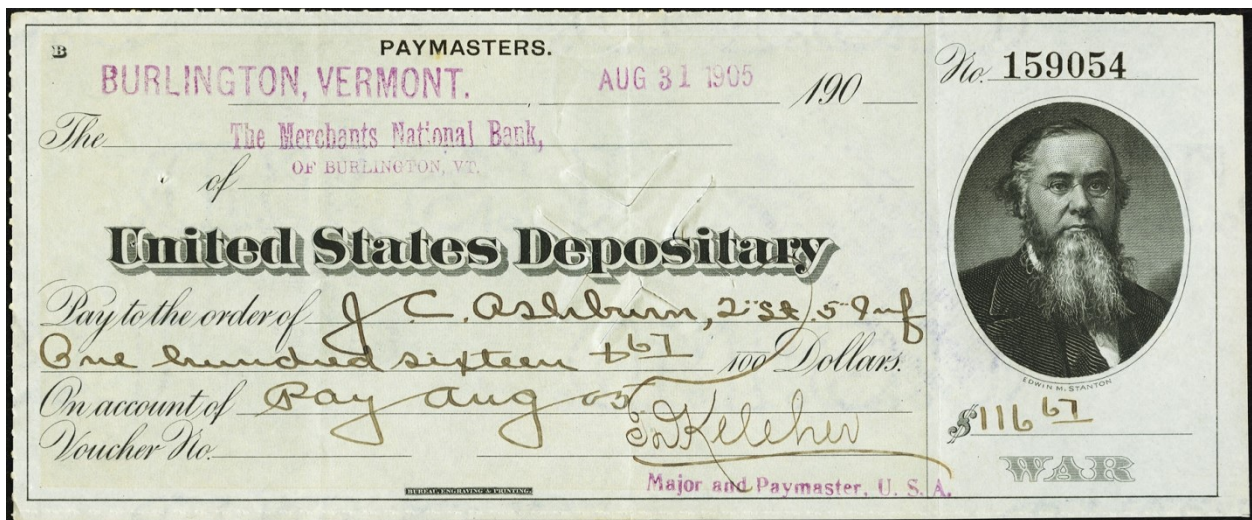
Stanton Images and Ephemera

Stanton has been memorialized in many ways; most prominent is on the 4th issue 50¢ fractional and on the \$1 Treasury note of 1890/1891. The portrait was engraved by Charles Burt (the same man who designed the Lincoln portrait on the FR1374 fractional).

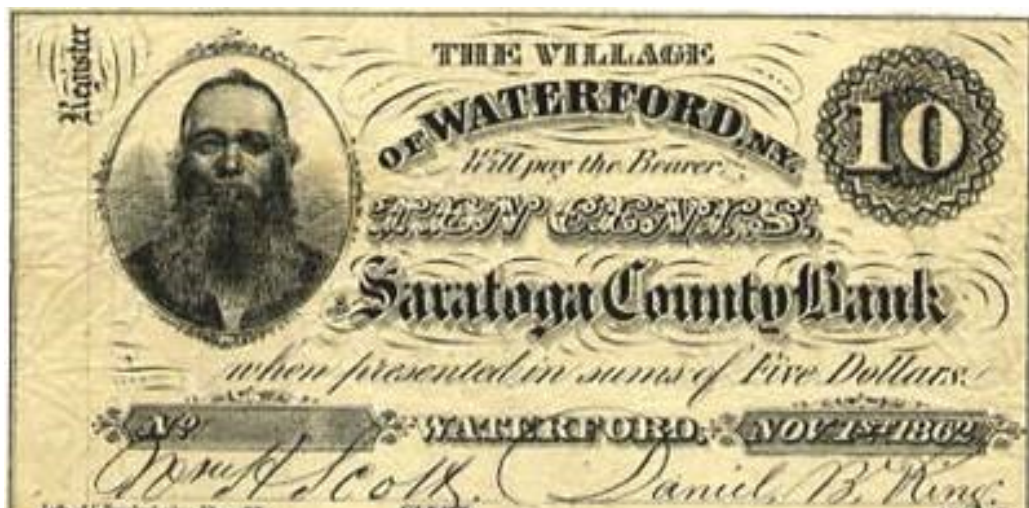




Shown below is a check from Merchant National Bank of Burlington, VT utilizing the same Burt portrait



From Benny Bolin is an obsolete note from the Village of Waterford, NY. Benny indicated it is a look alike image of Stanton, but it looks so much like Stanton that I'm not so sure. Either way, a neat example.



From fellow FCCB member, Art Paradis, we have some wonderful images of Stanton Counterfeits. Art just published a new book, *Counterfeit U.S. Fractionals*. It is an absolutely wonderful reference and a must have for the serious fractional enthusiast. It is lavishly illustrated, deeply researched and printed in a large format (8.5" x 11" – 518pp) on very high quality glossy stock. Contact Art at ART@DGI.com if you are interested in obtaining a copy.

Shown is a counterfeit Stanton without the Treasury seal.



This crudely produced counterfeit with a Treasury seal is an obvious fake. Check out Stanton's spooky black eyes.



The final image from Art is a wonderful uncut 4th issue counterfeit sheet of Stanton's without the seal and in the tête-bêche layout.



(...To Be Continued)



Member's Trading Post

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| <p>Looking for Graphics of Satirical Notes and other Rare Fractional Items for Historical Digital Collection Effort.</p> <p>Jerry Fochtman jerry@fochtman.us</p> | <p>Researcher/Collector interested in ALL fractionals with inverted or mirrored plate numbers. If you have one (for sale or research) please e-mail riconio@yahoo.com or call 818/591-2326.</p> <p>Thanks – Rick Melamed.</p> | <p>Want lists serviced and auction representation with over 40 years of Fractional experience</p> <p>Mike Marchioni Marchion@ETSU.EDU 423/439-5362</p> |
|---|--|---|

Current FCCB Members are welcome to submit requests for the Trading Post!

Have You Seen/Do You Know Where It Is?

FRACTIONAL CURRENCY

Pink Fractional Currency Shield: somewhat worn and foxed as all are. With original frame\$2,750.00

Fractional Currency book with proof Fractionals, narrow margins, pasted in. 28 crisp notes consisting of obverse and reverse of the following notes: Fr. 1231, 1243, 1282, 1313, 1227, 1238, 1232, 1244, 1251, 1283, 1314, 1291, 1355 and 1228. Book size 8 x 10 1/2", from the Spinner Estate\$675.00

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Uncut sheet of Fr. 1242 with full margins ..\$650.00

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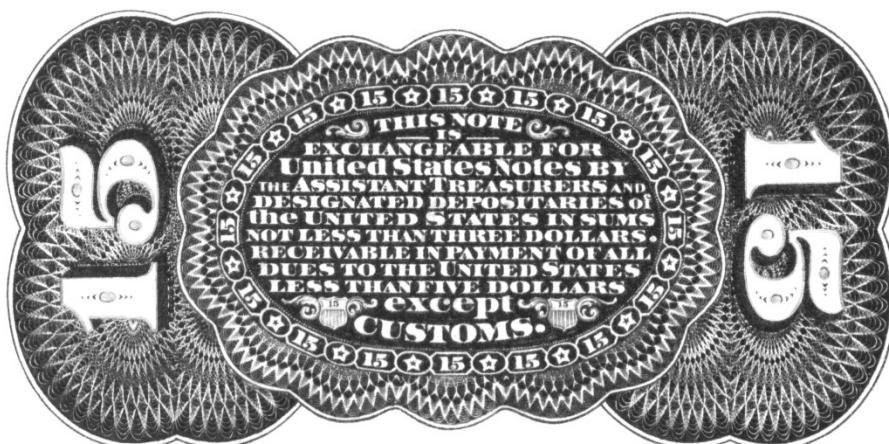
Woodcliff Investment's advertisement in a "Paper Money" magazine from 1971 outlines a "Fractional Currency Book....from the Spinner Estate", which contains 28 notes in a book measuring 8x10-1/2. The presentation books fractional collectors are more familiar with measure 4-3/4 x 6-3/8, or about 1/2 the size of the book being offered.

So...where is this larger book? Was it ever in an auction? Anyone seen it?

Buying & Selling



U.S. Fractional Currency



Rob's Coins & Currency

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Robert J. Kravitz,
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